



Waganakising Odawak

Little Traverse Bay Bands of Odawa Indians

Office of the Tribal Chairman

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GAMING REGULATORY COMMISSION REGULATIONS REG-WOS 2005-06 051809-007

I. Preamble.

- A. **Authority.** The following regulations are issued pursuant to § VI (F) (12), (13), (14) of the Gaming Regulatory Act, WOS 2005-06, enacted by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians on April 17, 2005 (WOS 2005-06) and approved by the National Indian Gaming Commission ("NIGC") on May 15, 2005 and in accordance with § III of the Administrative Procedures Act, WOS 2008-001.
- B. **Purpose.** It is the declared policy of the Tribe that all of the Gaming Enterprises and Gaming Operations subject to its jurisdiction be controlled through a comprehensive system of licenses, non-key licenses, and other appropriate regulations so as to ensure compliance with all applicable law and regulations governing the operation of the gaming enterprise. These regulations do not apply to social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.
- C. **Repeal.** These regulations are promulgated and adopted under the authority of Waganakising Odawak Statute 2005-06 and repeal and replace any earlier regulations of the Gaming Regulatory Commission.

II. Definitions.

- A. **Chairperson:** The chairperson of the Gaming Regulatory Commission chosen by the members of the Commission under § VI (A) of the Gaming Regulatory Act.
- B. **Class I Gaming:** Social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.
- C. **Class II Gaming:** Gaming activities as authorized and defined in the Indian Gaming Regulatory Act, P.L. 100-447, 25 U.S.C. Section 2703(7)(A) ("IGRA") and by regulations lawfully promulgated by the Little Traverse Bay Bands of Odawa Indians, or by regulations lawfully promulgated by the National Indian Gaming Commission ("NIGC") that now or hereafter may be in effect. Class II

Gaming includes Bingo, Pull Tabs when played in conjunction with Bingo (whether or not electronic, computer or other technological aids are used), and Non-Banking Card Games such as Poker.

- D. **Class III Gaming:** Gaming activities as defined in IGRA, 25 U.S.C. Section 2703(8) and by regulations promulgated by the NIGC that now or hereafter may be in effect, which includes all gaming that is not identified as Class I or Class II. Class III Gaming is authorized to be conducted by LTBB, provided such gaming is authorized by and consistent with a Tribal-State Compact that has been approved or deemed approved by the Secretary of the Interior and is in effect, or otherwise has been authorized by the Secretary of the Interior or federal law.
- E. **Commission; Gaming Regulatory Commission; the GRC:** The Gaming Regulatory Commission established by § VI of the Gaming Regulatory Act, WOS 2005-06. The Gaming Regulatory Commission is comprised of three appointed officials, assisted by regulatory employees, to fulfill the daily duties required for regulation of the tribal gaming operations.
- F. **Commissioner:** A member of the Gaming Regulatory Commission appointed by the Tribal Council for a term of three (3) years under § VI of the Gaming Regulatory Act.
- G. **Compact:** A compact is an agreement between sovereigns and in this instance it references a Tribal-State compact concerning Class III gaming under 25 U.S.C. § 2710(d), entered into by the Little Traverse Bay Bands of Odawa Indians and the State of Michigan, as amended, approved by the Secretary of the Interior by publication in the Federal Register on February 18, 1999 at 64 Fed. Reg 8111, December 10, 2003 at 68 Fed. Reg. 68944, and April 21, 2008 at 73 Fed. Reg. 21361, and as may be further amended.
- H. **Complimentary Items:** A service or item provided by the Gaming Enterprise at no cost, or at a reduced cost, to a customer. This does not include non-gaming items made available to all Tribal citizens, all Gaming Operation Employees, all LTBB Government Employees, or attendees at a conference or training session.
- I. **Directly related to:** means husband, wife, son, son-in-law, daughter, daughter-in-law, step-son, step-daughter, father, step-father, father-in-law, mother, step-mother, mother-in-law, brother, step-brother, brother-in-law, sister, step-sister, sister-in-law, child, step-child, a person whose relationship is similar to that of persons who are related by blood or marriage, or persons living in the same household.
- J. **Emergency Meeting:** A meeting of a Commission which is required to preserve or protect the health, rights, safety, or welfare of the Tribe and its citizens.
- K. **Employee:** persons employed by the LTBB gaming enterprise.

- L. **Enterprise, Gaming Operations:** The commercial enterprise of the Tribe authorized to engage in Gaming, and all ancillary commercial activities within the building(s) and other improvements constructed for the conduct of Gaming or for the support of Gaming under the management of the Gaming Board of Directors and/or General Manager.
- M. **Executive:** The branch of government described in Article VIII of the Constitution of the Little Traverse Bay Bands of Odawa Indians vesting Executive power in Tribal Chairperson and the Vice-Chairperson.
- N. **Facility:** The building(s) and other improvements of the Little Traverse Bay Bands of Odawa Indians utilized for gaming.
- O. **Final Annual Audit Report:** Tribal law requires that the Gaming Enterprise is audited annually by an independent auditor selected by Tribal Council. The audit report that is created based on the annual audit required by WOTC 7.409(A), or its successor statute shall be submitted to the National Indian Gaming Commission within 120 days after the end of the fiscal year. The GRC shall have the right to receive a copy of this audit report.
- P. **Gaming Board of Directors:** The entity created in WOS 2004-08, or any successor entity created by Tribal Statute to carry out non-regulatory aspects of the Tribe's gaming operation.
- Q. **Gambling game; Game; Gaming:** Any game authorized under § 3 of the Gaming Regulatory Act, WOS 2005-06.
- R. **Gaming Regulatory Act:** Little Traverse Bay Band of Odawa Indians statute that allows gaming, WOS 2005-06, as may be amended or replaced.
- S. **Hearings:** A licensee or applicant's appearance before the Gaming Regulatory Commission based on a license denial or suspension issued by the Licensing Department and/or Regulatory Director.
- T. **Indian Gaming Regulatory Act:** is a 1988 United States federal law, codified at 25 U.S.C. § 2701 *et. seq.* which establishes the jurisdictional framework that presently governs Indian gaming. The stated purposes of the act include providing a legislative basis for the operation/regulation of Indian gaming, protecting gaming as a means of generating revenue for the tribes, encouraging economic development of these tribes, and protecting the enterprises from negative influences (such as organized crime).
- U. **Key Contractor:** Any person or other legal entity, other than a primary management official or key employee, including, but not limited to, gaming vendors, or gaming-related consultants, who have a gaming related contract with the Gaming Operations, where the contractor performs any function described in the definition of a key employee or primary management official, including but

not limited to: all providers of Class II or Class III games of chance, providers of gaming equipment, or providers of gaming related supplies or services which exceed \$25,000 annually. The Gaming Regulatory Commission reserves the right to require any supplier to apply for a Key Contractor License regardless of monetary thresholds if the Gaming Regulatory Commission deems it necessary to protect public interest.

V. Key Employee:

1. A person who performs one or more of the following functions:
 - a. Bingo Caller;
 - b. Counting Room Supervisor;
 - c. Security;
 - d. Custodian of gaming supplies or cash;
 - e. Floor Manager;
 - f. Pit Boss;
 - g. Dealer;
 - h. Croupier;
 - i. Approver of Credit;
 - j. Custodian of gambling devices including persons with access to cash and accounting records within such devices;
 - k. Facilities employees, excluding housekeeping employees; or
 - l. Shipping & Receiving.
2. If not otherwise included, any other person whose total cash compensation is in excess of \$50,000 per year; or
3. If not otherwise included, the four most highly compensated persons in the gaming operation.
4. Additionally, the Gaming Regulatory Commission may require a similar standard of review for employees who do not fall under the definition of key employee whose position and access to money or records warrants such review.

W. Law/s: All Tribal, Federal and State laws, regulations and compacts that are applicable to and binding on the Gaming Operation.

X. License: A revocable privilege (including temporary licenses) granted for a limited period of time by the Gaming Regulatory Commission, pursuant to the Gaming Regulatory Act, and these Regulations, to a person or entity. Licenses are issued to employees in three categories: primary management officials, key employees and non-key employees.

- Y. **Non-key Employee**; Standard Employee: Any Enterprise employee, gaming or gaming related, that is not a Key Employee or a Primary Management Official.
- Z. **Non-key License**: A license issued to non-key employees under Section IX (O.) of these Regulations. A non-key license is a revocable privilege granted for a limited period of time by the Gaming Regulatory Commission pursuant to the Gaming Regulatory Act and these Regulations.
- AA. **Player**: A person who participates in a game other than as an employee.
- BB. **Phone Poll**: A poll of Commissioners conducted via telephone or other electronic means on a single question or issue which requires immediate action on the part of the Commission to protect the health, safety or welfare of the Tribe or its citizens.
- CC. **Primary Management Official**:
1. Any person who has authority:
 - a. To hire and/or fire employees; or
 - b. To set up working policy for the gaming operation; or
 2. The chief financial officer or other person who has financial management responsibility.
- DD. **National Indian Gaming Commission**; NIGC: The federal gaming regulatory body created by the Indian Gaming Regulatory Act (Public Law 100-497, 25 U.S.C. §§ 2701 et seq.) (“IGRA”).
- EE. **Regular Meeting**: Any regularly scheduled meeting of the Commission that is not a special meeting, emergency meeting or work session.
- FF. **Regulatory Departments**: The Gaming Regulatory Commission’s staff is comprised of the Regulatory Director, Surveillance, Internal Audit and Licensing, or any other department that is created for the purposes of regulating the gaming operation.
- GG. **Temporary License**: A revocable privilege granted for a limited period of time by the Gaming Regulatory Licensing Department, pursuant to these Regulations, to a person or entity which does not require approval from the federal government. LTBB GRC submits employee licensees to the NIGC for review but LTBB is in full control of final licensing decisions. A Temporary License is considered to be “Temporary” until the Background Investigation and required Reporting process has been completed.
- HH. **Tribal Council**: LTBB government is constitutionally defined by its members as having both a legislative and executive branch. The Tribal Council is the

legislative branch, comprised of nine (9) Tribal citizens elected in an open election by popular vote. This branch of government is described in Article VII of the Constitution of the Little Traverse Bay Bands of Odawa Indians.

- II. **Tribe or LTBB:** The Little Traverse Bay Bands of Odawa Indians, a nation of citizens with inherent sovereignty and right to self-governance, whose status as a sovereign nation was reaffirmed in Public Law 103-324, and is recognized as eligible by the Secretary of the Interior for the special programs and services provided by the United States to Indians because of their status as a federally recognized tribe, and is recognized as possessing powers of self-government.
- JJ. **Work Session:** A meeting of a commission which is not a regular meeting, emergency meeting or training. Work sessions may be held to review or construct lengthy or time consuming statutes or documents or to conduct hearings, interviews, or other business which does not require a regular meeting.

III. **Role of the Commission.**

- A. **The Gaming Regulatory Commission.** The purpose of the Commission is to ensure compliance with all Laws. The Commission will serve as the licensing authority for individuals employed in the gaming operation and will administer background investigations as part of the licensing process. The Commission will also have a role in monitoring compliance with the internal control standards for the gaming operation and in tracking revenues. In order to carry out its regulatory duties, the Commission shall have unrestricted access to all areas of the gaming operation and to all records. The Commission shall have authority to take enforcement actions, including suspension or revocation of an individual gaming license when appropriate.
- B. **The Commission Shall:**
 - 1. Conduct or cause background investigations to be conducted on, at a minimum, primary management officials and key employees;
 - 2. Review and approve all investigative work conducted;
 - 3. Report results of background investigations to the NIGC;
 - 4. Obtain and process fingerprints, or utilize the Tribal Law Enforcement agency to obtain and process fingerprints;
 - 5. Make licensing suitability determinations, which shall be signed by a majority of the Commissioners present when the license is approved;

6. Issue gaming licenses to management officials and employees of the operation, consistent with the suitability determination;
7. Inspect, examine and monitor all gaming activities, and have immediate access to review, inspect, examine, photocopy and audit all gaming related records of the gaming establishment;
8. Ensure compliance with all Laws;
9. Investigate any suspicion of wrongdoing associated with any gaming activities, and report any potential criminal violations to Tribal Law Enforcement;
10. Hold hearings on patron and/or employee complaints, in compliance with procedures established in this Statute and other Tribal gaming regulations;
11. Ensure compliance with any and all reporting requirements under the IGRA, Tribal-State compact to which the Tribe is a party, and any other Law;
12. Promulgate and issue regulations necessary to comply with the Tribe and the NIGC's Minimum Internal Control Standards (MICS);
13. Promulgate and issue regulations on the levying of fees associated with gaming license applications;
14. Promulgate and issue regulations on the levying of fines and/or suspension or revocation of gaming licenses for violations of the gaming Statute, or any other Laws;
15. Perform such other duties the Commission deems appropriate for the proper regulation of the Tribal gaming operation;
16. The Commission shall be authorized to employ such staff and/or consultants as reasonably may be required to fulfill its responsibilities under the Gaming Regulatory Act and these Regulations subject to personnel policies approved by Tribal Council; and
17. The Commission shall be authorized to require the development of Policy or Procedure related to Game Protection, Asset Protection, or Tribal MICS requirements to protect the integrity of the enterprise.

IV. Gaming Operations. Any violations or issues of the Gaming Operations are reported to the Gaming Regulatory Commission by the Regulatory Director.

- A. **Age Prohibition.** No individual under twenty-one (21) years of age may play any game in the Enterprise, nor shall any such person be allowed to loiter or remain in

the immediate area in which any such game is being played.

1. Not Applicable to Employees. Individuals under the age of twenty-one (21) who are employees of the Enterprise, and engaged in work activity are allowed in areas where gaming is taking place.

B. **Credit Extension Prohibited.** No credit shall be extended by the Enterprise to any player. This prohibition shall not be construed, however, to prevent players or customers from utilizing bank cards, credit cards, and other forms of personal credit when the credit is guaranteed or extended by an independent financial institution.

C. **Dispute Resolution.**

1. The complaining member of the gaming public shall first have an opportunity to present his/her grievance, verbally or in writing, to the General Manager of the Enterprise or a person designated by the General Manager to resolve grievances with members of the gaming public.
 - a. The Enterprise has 72 hours to resolve disputes before forwarding to the Regulatory Director.
2. If the grievance is not resolved under Section 1, the complaining member of the general public may file a written grievance with the Gaming Regulatory Director.
 - a. The Gaming Regulatory Director shall prepare a document that explains the Guest Dispute Process, including timelines for submission of the written Guest Grievance.
 1. This document shall list the required information needed in the written Guest Grievance.
 2. The Gaming Regulatory Director, or her/his designee, shall review the written Guest Grievance within seven (7) days of receipt.
2. If the Gaming Regulatory Director deems it necessary, the Director may conduct a fact finding hearing to investigate the Guest Grievance and question any employee(s) of the Enterprise involved in the guest dispute.
3. The Gaming Regulatory Director, or her/his designee, shall prepare a written report, including recommendations, and submit this report to the Gaming Regulatory Commission.
4. The Gaming Regulatory Commission shall review the report submitted by the Gaming Regulatory Director, or her/his designee, and take final action

on the grievance within thirty (30) days of receipt, which may include any action authorized under the Gaming Regulatory Act and these Regulations.

- D. **Gambling by Employees.** No employee of a licensed facility, member of the Gaming Regulatory Commission, employee of the Gaming Regulatory Commission, member of the Gaming Board of Directors, employee of the Gaming Board of Directors, member of the Tribal Council, or Tribal Chairperson and Vice-Chairperson shall be permitted to participate as a player in any game operated within the Facility.
1. Employees of the Gaming Regulatory Commission shall be barred from participating as a player in any game operated within the facility for a period of one (1) year after their employment with the Gaming Regulatory Commission terminates; whether the termination of the employment relationship was voluntary or involuntary unless waiver is approved by the Gaming Regulatory Commission.
- E. **BSA Requirements.** The Gaming Regulatory Commission ensures compliance with the Title 31/Bank Secrecy Act.
- F. **Health & Safety.** The Commission ensures compliance with health and safety Laws and requirements as they pertain the Facility and Gaming Operation. The Commission and Regulatory Staff do not conduct health and safety inspections themselves, but are authorized to receive reports and make any necessary inquiries to ensure compliance.
- G. **Non-Gaming Equipment.**
1. Any non-gaming device, equipment, or software which may interface with any gaming equipment or device, such as micros, kiosk, etc or gaming management system, must meet applicable testing standards as established by a reputable testing company.
 2. Any specific standard for non-gaming equipment must be reviewed and approved by the Gaming Regulatory Commission.
- H. **Gaming Equipment.**
1. No Class III or Class II games of chance, equipment or supplies may be purchased, leased or otherwise acquired by the Tribe unless the equipment or supplies meet the technical standards of the State of Nevada, or the State of New Jersey, or the State of Michigan.
 2. The seller, lessor, manufacturer, or distributor shall provide, assemble and install all Class III or Class II games of chance, gaming equipment, and

supplies in a manner approved and licensed by the Tribe.

- a. The seller, lessor, manufacturer, or distributor shall provide in writing a notification of shipment 5 days prior to shipping any new gaming device.
 - i. All notifications must include: date of arrival, truck seal number, serial number(s) of device(s), number of devices shipped, means by which the device(s) will be transported into the State of Michigan, and the address of the common carrier or other person transporting the device.
 - ii. The Gaming Regulatory Director or designee will verify the truck seal before seal can be broken.
 - iii. The Gaming Regulatory Director or designee may refuse any shipment if the above regulations are not followed.
- b. The seller, lessor, manufacturer, or distributor shall provide in writing a notification of shipment 5 days prior to shipping any gaming software, EPROMS, etc. (i.e. any game altering software.)
 - i. All gaming software shall be received by the Gaming Regulatory Director or designee.
 - ii. All received software will be secured by the Gaming Regulatory Director or designee until signed out by the Slot Department personnel.
- c. Any gaming device containing game altering software will require the Gaming Regulatory Director or designee to test and validate the software. Validation includes the following:
 - i. Conforms to Independent Test Lab standards
 - ii. Bill validator and coin acceptors are accurately reading and crediting meters as designed.
 - iii. Games play as programmed.
 - iv. The device is accurately communicating with the online data system such as:
 - A. Accurately recording accounting data; and
 - B. Meter readings accurately recording.
- d. The Regulatory Director or designee shall witness the installation of any game altering software. The software shall be secured with tamper proof security tape (seals) or other approved security methods (plastic/steel ring seals).

- e. The Regulatory Director or designee shall purchase and securely maintain all seals.
- 3. The Regulatory Director or designee will periodically monitor the gaming floor for current up to date software.
 - a. Any device found out of compliance with approved test lab standards will be immediately disabled.
 - b. The Gaming Regulatory Commission or designee has authority to remove, relocate, or quarantine any gaming device.
- 4. Wide Area Progressives (WAP): The Regulatory Director or designee must be notified by the gaming enterprise that a jackpot is indicated on a WAP machine.
 - a. The Regulatory Director or designee must be present before any WAP representative verifies the machine software.
- 5. For any jackpots over \$25,000, the Regulatory Director or designee shall be notified to verify seals prior to payout.
- 6. The clearing of accounting meters (ram clear) shall be prohibited without the Regulatory Director or designee approval. Once authorized, a written record of the meters before and after and a written explanation as to why the meters were cleared must be supplied to Regulatory, Accounting and the gaming device file.
- I. **New Technology:** The Gaming Regulatory Commission requires 6 month notification of any new games. Waivers are available upon completion of commission review and approval of; internal controls, policies, procedures and rules of the game.
- J. **Investigations:** In order to carry out its regulatory duties, the Gaming Regulatory Commission or designee shall have unrestricted access to all areas of the gaming operation and to all records.

V. Disciplinary Actions

- A. **Progressive Notice-Any written documentation sent to operations that identifies a concern or violation, that must be addressed to avert further regulatory action.**
 - 1. Required Information. Any notice shall include the following components:

- a. Identification of the facts resulting in the notice, including:
 - i. A citation to the Law or policy involved;
 - ii. A copy, or identification (by date and number) of any notice(s) previously forwarded to the General Manager and accountable employee by the Commission, if applicable;
 - iii. The Accountable Employee involved, including identification of the employee's position, department and shift;
 - iv. The particular conduct or circumstances involved; and
 - v. The approximate date and time of the incident in question.
 - b. Classification of the incident into one or more of the following compliance categories:
 - i. IGRA;
 - ii. LTBB Gaming Regulatory Act;
 - iii. Compact;
 - iv. Tribal Law;
 - v. Federal Law;
 - vi. Gaming Regulations;
 - vii. NIGC or Tribal Minimum Internal Controls;
 - viii. Health and/or Safety;
 - ix. Security;
 - x. Entity policy or procedure or system of internal controls; or
 - xi. Other action reasonably related to the protection of the integrity or security of the games or gaming operation, or related to the health or safety of the employees or patrons of the gaming operation.
 - c. A signed written response from gaming enterprise management will be required within the designated time frame.
 - d. Notification that failure to respond in whole or in part could result in action being taken against a LTBB Gaming Commission issued gaming license.
2. Notice of Concern.
 - a. A Notice of Concern is issued when situations are identified as potential risks to the Gaming Enterprise but do not rise to the level of a violation of Laws. Failure to respond to a Notice of Concern may result in a Notice of Violation.
 3. Notice of Violation.

- a. A Notice of Violation is issued when situations are identified as a violation of any Law. Failure to respond to a notice of violation may result in civil penalties under Subsection C. Procedure violations that are serious in nature that threaten the reputation and integrity of the LTBB gaming operation may also result in a Notice of Violation.

B. Progressive Penalties.

- 1. All progressive penalties shall be reviewed and approved by the Regulatory Director or designee.
- 2. Emergency Suspensions. The Licensing Department may seize an individual's license identification card and exclude that individual from the Gaming Enterprise for up to 72 hours if, in Licensing Department's judgment, the licensee's actions pose a threat to the integrity of the Gaming Enterprise, the safety of the general public, patrons, or other employees.
 - a. The Licensing Department shall immediately notify the Gaming Enterprise's General Manager and the Gaming Regulatory Commission Chairperson of the emergency suspension.
 - b. The Licensing Department may take formal suspension action against the individual.
- 3. Formal Suspension.
 - a. The Gaming Regulatory Director or designee may issue an order suspending a license if it has been determined that reasonable cause exists to believe that:
 - i. The suspension is necessary for the immediate preservation of the public peace, health, safety, or general welfare of the Tribe; or
 - ii. The licensee may have violated any condition or requirement imposed on the licensee by the Gaming Regulatory Commission or applicable laws or regulations.
 - b. The suspension order becomes effective when it is signed by the Gaming Regulatory Director or designee and the holder of the license receives actual or constructive notice of the order.
 - c. The suspension order shall state the reason for the suspension.
 - d. The suspension order shall state that the licensee shall forfeit his/her right to a hearing and any appeal if he or she fails properly

to request a hearing before the Gaming Regulatory Commission within 30 days following effective date of the order.

- e. By the end of the next business day following the effective suspension date of a license, the Gaming Regulatory Director or designee shall notify the General Manager of the Gaming Enterprise and the Gaming Regulatory Commission Chairperson of the suspension action taken. The notice shall include the name of the licensee, the license number, and the effective date of the suspension.
 - i. The Gaming Enterprise's General Manager shall immediately suspend the licensee and shall not pay the licensee any wages during the period of license suspension.
 - ii. If the suspension involves the license of the General Manager or the Facility, the Gaming Regulatory Director or designee shall notify the Gaming Board of Directors of the suspension.
 - f. A licensee whose license has been suspended shall be barred from the Gaming Enterprise property during the period of the suspension.
 - g. The Gaming Regulatory Director may suspend a license for any period of time up to one year in length.
 - h. The Licensing Department may reinstate a license only after the licensee resolves to the Gaming Regulatory Commission's satisfaction of the situation or condition that caused the suspension.
4. Reporting Criminal Activity. Any Gaming Regulatory Department which discovers or obtains any knowledge or evidence of criminal wrongdoing being committed by any licensee or any guest or patron of the Enterprise, shall promptly report such information to the appropriate law enforcement officials and any other official or entity required by these regulations or tribal law.
5. Revocation. The Gaming Regulatory Commission may revoke a license under the following circumstances:
- a. Does not meet the minimum standards or requirements for issuance of a license;
 - b. Failed to disclose, misstated, or otherwise misled the Licensing Department about any fact contained within any application for a license;

- c. Violated any of the terms or conditions under which the Gaming Regulatory Commission granted the license; or
- d. Failed to request a hearing before the Gaming Regulatory Commission to contest a suspended license within thirty (30) days of the suspension.
- e. Any person or other entity whose license has been revoked by the Gaming Regulatory Commission shall not be eligible to apply for a new license for five years from the effective date of the revocation.
- f. The Gaming Regulatory Commission has the discretion to revoke a license, if, in the Gaming Regulatory Commission's judgment, such a revocation is in the best interests of the Tribe. When the Gaming Regulatory Commission revokes a license pursuant to this provision, the Gaming Regulatory Commission shall notify the employee that their license was revoked and shall specify the reasons for the revocation.

C. **Fining Schedule.**

- 1. **Civil Penalties.** The Gaming Regulatory Director may impose a civil penalty or penalties against any license for violations of these regulations. The Gaming Regulatory Director shall notify the licensee of her/his intent to impose a civil penalty and inform them that they may request a hearing before the Gaming Regulatory Commission to contest the imposition of the civil penalty.
 - a. **Purpose.** To establish a fining schedule for the LTBB Gaming Regulatory Commission to define the process for imposing civil penalties for individuals and/or entities that fail to comply with applicable rules, laws, and regulations.
 - b. **Authority.** The Gaming Commission is given the authority to issue fines and sanctions under; *The Gaming Regulatory Act*, which authorizes the Gaming Regulatory Commission to promulgate and issue regulations on levying of fines for violations of the gaming Statute, or any other Laws.
 - c. **Violations.** Violations may include any of the following though the list is not to be considered all inclusive. An, "**GE**" designation means the Gaming Enterprise is responsible for the fee, a "**TM**" designation means the team member is responsible for the fee and a "**B**" designation means that both the team member and gaming facility may responsible for the fee:
 - 1. Working with an expired or invalid gaming license (**TM**)

2. Working without a gaming license **(TM)**
3. Engaging in gaming activity without a valid facility license **(GE)**
4. Conducting business with an unlicensed and/or non-exempt vendor **(GE)**
5. Failure to be in possession of gaming license while working **(TM)**
6. Altering a gaming license **(B)**
7. Failure to report or disclose required information pertaining to one's gaming license **(TM)**
8. Employing persons without a valid gaming license **(GE)**
9. An unapproved (Gaming Commission) gaming machine placed in service for play **(GE)**
10. An unapproved (Gaming Commission) table or card game placed in service for play **(GE)**
11. Possessing or installing a gaming machine at other than a licensed location **(GE)**
12. Individuals under the legal gambling age participating in gaming activity **(B)**
13. Individuals under the legal gambling age permitted on the gaming floor **(B)**
14. Sale, service, delivery, or consumption of alcoholic beverages to individuals under the age of 21 **(B)**
15. Sale, service, delivery, or consumption of alcoholic beverages to intoxicated persons **(B)**
16. Sale, service, delivery, or consumption of alcohol in an area not licensed for alcohol **(B)**
17. Failure to pay winnings or award prizes **(B)**
18. Failure to maintain adequate security for the protection of assets, public safety, and employee safety **(B)**
19. Unauthorized or improper use of tokens or cheques **(B)**
20. Unauthorized or improper disposal of tokens or cheques **(B)**
21. Unauthorized or improper disposal of gaming devices **(B)**
22. Unauthorized modification of a gaming device that changes the manner of operation, game theme, or payout from that previously approved or from what is represented to the public (i.e. machine conversions, machine glass changes, etc.) **(B)**
23. Failure to comply with Laws governing gaming, including payment of taxes and fees **(B)**
24. Failure to comply with the Compact **(B)**
25. Facilitating, authorizing, participating in, or allowing the issuance of any loans; or extending credit to any gaming patron for purposes of gaming **(B)**
26. Misleading or deceptive payoff schedules **(B)**
27. Failure to comply with minimum accounting standards **(B)**

28. Failure to maintain the required minimum bankroll in accordance to the minimum bankroll calculation set forth **(B)**
29. Failure to maintain the minimum bankroll calculation **(GE)**
30. Failure to remove an excluded person from the premises **(B)**
31. Failure to implement and maintain an approved System of Internal Control Standards for the gaming operations **(GE)**
32. Failure to comply with the Tribal hardware/software requirements **(B)**
33. Unlawful or unauthorized operation of a progressive gaming system **(B)**
34. Unlawful or unauthorized promotion or additional payout **(B)**
35. Unauthorized changes to the System of Internal Control Standards **(B)**
36. Unauthorized changes to gaming procedures **(B)**
37. Marketing mailers sent to persons who are excluded **(B)**
38. Failure to post required signage in accordance to the Compact between the State of Michigan and the Little Traverse Bay Band of Odawa Indians **(GE)**
39. Failure to follow the Comp Policy for issuance of complimentary items **(B)**
40. Failure to file Title 31 paperwork in accordance with the law **(B)**
41. Failure to file appropriate Suspicious Activity Reports in accordance with the law **(B)**
42. Repeated violations of gaming enterprise policies **(B)**
43. Denying Gaming Commission and/or authorized agents, auditors, or inspectors access to or inspection of a gaming facility (including records and/or examination of records) **(B)**
44. Interference with an investigation **(B)**
45. Providing false or misleading information to the Gaming Commission **(B)**
46. Failure to cooperate and assist authorized agents, auditors, or inspectors **(B)**
47. Failure to retain required records **(B)**
48. Removal of sensitive keys from the gaming facility **(TM)**
49. A licensed employee gambling at a LTBB gaming enterprise **(TM)**
50. Failure to correct violations discovered in an audit **(B)**

- d. Determinations. Actions or fines to be imposed under this policy will be determined by the Gaming Commission dependent upon the facts and circumstances of each case. Any imposed action or

fine will be at the sole discretion of the Gaming Commission.

- e. Imposition of Fines. The Gaming Commission shall impose fines for a first violation as listed below, unless circumstances warrant an enhancement of the fine. Fines will be increased for each subsequent violation; the maximum amount for any one fine is \$25,000.

Non-Key

1st	Offense: \$25
2nd	Offense: \$50
3rd	Offense: \$100
4 th	Offense: \$200 to Maximum

Key License

1 st	Offense: \$100
2 nd	Offense: \$200
3 rd	Offense: \$300
4 th	Offense: \$500 to Maximum

Primary Management & Gaming Vendors

1 st	Offense: \$500
2 nd	Offense: \$750
3 rd	Offense: \$1000
4 th	Offense: \$1500 to Maximum

Failure to provide shipping notification \$1000

- f. Collection. Any fine assessed by the Gaming Regulatory Commission will be collected through the Licensing Department. Failure to pay the fine or make arrangements to pay the fine will result in action being taken on a Gaming Regulatory Commission issued license.
- g. Appeal. Any fine assessed by the Licensing Department under this policy may be appealed to the Gaming Commission. The appeal must be submitted within 30 days or decisions are final. The Gaming Commission shall hold a hearing within 21 days of receiving the notice of appeal. The Gaming Commission at its discretion may:
 - i. Reaffirm the fine assessed.
 - ii. Suspend any portion of the fine under circumstances deemed appropriate by the Gaming Commission.

- iii. Revoke the fine.
- iv. Negotiate any compromise of the fine that is in the best interest of the Tribe.

VI. Office of the Regulatory Director.

- A. The Regulatory Director reports to the Gaming Regulatory Commission. The Regulatory Director is responsible for the oversight of Gaming Regulatory operations and the daily functions of all sections/departments which fall within the scope of the Gaming Regulatory Commission.
- B. The Regulatory Director shall ensure that the Enterprise is monitored for compliance with all Laws.
- C. The Regulatory Director shall maintain a professional line of communication with Tribal Operations, Tribal Police, Gaming Board of Directors, Gaming Enterprise, and any other entity required for gaming regulation.
- D. The Regulatory Director shall ensure that written policies and procedures are established for Regulatory Departments.
- E. The Regulatory Director shall assist the GRC in promulgating Gaming Regulations.
- F. The Regulatory Director shall review gaming operations policies and procedures for compliance with Tribal Minimum Internal Control Standards and make recommendations to the GRC for approval based on that review.
- G. The Regulatory Director shall ensure that investigations are conducted for patron disputes, alleged criminal activity, GRC Directives, and any alleged violations of Law.
- H. The Regulatory Director shall develop an access list for the surveillance room. The access list shall consist of the Titles of Gaming Operation Employees that require access to perform their duties. This list must be reviewed and approved by the Gaming Regulatory Commission.
- I. The Regulatory Director shall ensure that the Enterprise's General Manager, or his/her designee and Tribal Law Enforcement are notified promptly in the event that cheating, theft, or illegal activity is observed or discovered.
- J. In cases where camera coverage is available, dubs of the alleged illegal activity may be requested for review by the Enterprise's General Manager or his/her designee and Tribal Law Enforcement to determine what course of action, if any, shall be taken.

- K. If an ongoing Law Enforcement investigation exists, the Enterprise's General Manager, or his/her designee, will be notified that an investigation is in progress. Specifics of the investigation may be disclosed only upon approval of the Law Enforcement Agency conducting the investigation.

VII. Surveillance Services

- A. The Gaming Regulatory Commission delegates oversight of the Gaming Regulatory Surveillance Department to the Regulatory Director. The Surveillance Department is comprised of trained Surveillance staff. Surveillance Operations shall be conducted from within the gaming facility but are separate from gaming operations. The Surveillance room access shall be restricted in accordance with paragraph C. of this Section.
- B. The Gaming Regulatory Surveillance Department's primary mission is protection of Tribal assets. This includes but is not limited to customers, employees, cash, property, and all material objects. This is accomplished through observation and reports written on violations of the Tribal Minimum Internal Control Standards, Policies or Procedures, or any other Law.
- C. Access to the Surveillance room shall be limited to individuals listed on the approved access list. The approved access list shall be posted in the Surveillance room. Persons requesting access to the Surveillance room not included on the approved access list shall require Gaming Regulatory Commission authorization to access the Surveillance room.
- D. Surveillance staff shall be trained to identify threats and to protect the integrity of the Enterprise through random observations and employee audits.

VIII. Internal Audit Services

- A. The Gaming Regulatory Commission delegates oversight of the Gaming Regulatory Internal Audit Department to the Regulatory Director. The Internal Audit Department is comprised of Auditors and Gaming Inspectors.
- B. The Gaming Regulatory Commission shall ensure that written policies and procedures are established for the Gaming Regulatory Internal Audit Department. The Internal Audit Department's primary mission is protection of Tribal assets. This includes but is not limited to customers, employees, cash, property, and all material objects. This is accomplished through observation and required audits mandated by the Federal Minimum Internal Control Standards. The Internal Audit Department is comprised of two sections, Gaming Inspectors and Internal Auditors.
- C. The Gaming Inspector's major responsibilities are providing a presence on the gaming floor and ensuring gaming devices comply with Law. This entails an

inspection of dice and cards to ensure they are free of defects, receiving and shipping gaming machines, all gaming software verification, present for any Wide Area Progressive payout. In addition to gaming devices inspections, the Inspectors also assist with investigations, information gathering, and report writing.

- D. The Internal Auditor is responsible for all required annual audits which are; card games, title 31, table games, accounting, gaming machines, cage, IT, and complimentary items. Other audits may be conducted to comply with Law or as requested by the Gaming Regulatory Commission.
- E. In addition to required audits, the Internal Auditor will have authority to: conduct investigations, request documentation from the enterprise, quarantine gaming devices, review and approve chip and token design, issue Notices of Concern (NOC), issue Notice of Violation (NOV) against Law, and any other function in regards to asset protection.
- F. Customer disputes are also the responsibility of Internal Audit. All disputes must be completely investigated no later than 30 days from the date of the complaint. The investigative report will be presented to the GRC for final resolution.
- G. Internal Audit Department shall frequently monitor guest promotions to ensure program integrity and the gaming operation for full compliance, document any exceptions and conduct follow up audits as needed. In addition; the Internal Audit staff shall be continuously trained to identify threats to the gaming operation and weaknesses in policies and procedures.

IX. Licensing Services

- A. **Delegation.** The Gaming Regulatory Commission delegates oversight of the Gaming Regulatory Licensing Department to the Regulatory Director. The Licensing Department is comprised of Background Investigators.
- B. **The GRC licenses the Gaming Enterprise, its employees, and vendors.** The Licensing Department's primary mission is to conduct investigations required for gaming related licenses.
- C. **Revocable Privilege.**
 - 1. An application for a license constitutes a request to the Gaming Regulatory Commission for a decision upon the applicant's suitability, character, integrity, and ability to participate or engage in, or be associated with, the Gaming Enterprise in the manner or position sought by the applicant.

2. The burden of proving an applicant's qualification to receive or retain any license is at all times on the applicant.
3. The granting of a license by the Gaming Regulatory Commission does not constitute a commitment on behalf of the Gaming Regulatory Commission or any other party or entity to hire or continue to employ the licensee.

D. License Categories.

1. Facility License. No gambling games may be played at any place, facilities, or location within the Tribe's jurisdiction unless the manager of the gaming operation first obtains and thereafter maintains in good standing a valid facility license issued in accordance with these regulations.
2. Primary Management Official License. No person shall be employed as a primary management official by the Gaming Enterprise, or by the Gaming Regulatory Commission, unless such person obtains, and thereafter maintains in good standing, a valid primary management official license issued in accordance with these regulations.
3. Key Employee License. No person shall be employed as a Key Employee by the Gaming Enterprise, or by the Gaming Regulatory Commission, unless such person first obtains, and thereafter maintains in good standing, a valid key-employee license issued in accordance with these regulations.
4. Non-key Employee License. No person shall be employed as a Non-key Employee by the Gaming Enterprise, or by the Gaming Regulatory Commission, unless such person first obtains, and thereafter maintains in good standing, a valid Non-key Employee license issued in accordance with these regulations.
5. Key Contractor/Gaming Vendor License. No person or legal entity shall be eligible to be a Key Contractor/Gaming Vendor unless the person or entity first obtains and thereafter maintains in good standing a valid Key Contractor/Gaming Vendor license issued in accordance with these regulations.

E. Standards for Licensing Eligibility. No key employee or primary management official license may be issued to any applicant who:

1. Is under the age of eighteen (18); or
2. Has been convicted of, or entered a plea of guilty or no contest to, any felony relating to a gambling offense, fraud or misrepresentation. The terms "fraud or misrepresentation," as used in this subsection shall mean a criminal offense committed in Michigan or any other jurisdiction,

involving, theft, fraud or misrepresentation, which is a felony or would be a felony if committed in Michigan, and which was committed as an adult or prosecuted as an adult offense, and which has not been effectively removed from the employee's criminal record by executive pardon, state court order, or operation of law; or

3. Has been convicted of, or entered a plea of guilty or no contest to, "any offense" within the immediately preceding ten years. The term "any offense," shall mean any criminal offense not described in Section IX. (E)(2) within the immediately preceding ten years; whether committed in this state or any other jurisdiction, that is, or would be, a crime under the provisions of the Michigan Penal Code, Act No. 328 of the Public Acts of 1931, as amended, being MCL 750.1 to 750.568, or the controlled substance provisions of the Public Health Code, Act No. 368 of the Public Acts of 1978, as amended, being MCL 333.7101 to 333.7545, or any other misdemeanor criminal offense involving theft, violence, dishonesty, fraud or misrepresentation arising under the law of Michigan or another state or jurisdiction, that was committed as an adult or prosecuted as an adult offense, and which has not been effectively removed from the employee's criminal record by executive pardon, state court order, or operation of law. This provision shall not apply if that person has been pardoned by the Governor of the State where the conviction occurred, or in the case of a Tribal Citizen if the Tribal Citizen is eligible for a waiver as described in this Section only; or
4. Is determined by the Gaming Regulatory Commission to have participated in organized crime or unlawful gambling, or whose prior activities, criminal records, reputation, habits, and/or associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods and activities in the conduct of gaming or to the carrying on of the business and financial arrangements incidental to the conduct of gaming; or
5. Has knowingly or willfully provided materially false statements, refused to respond to questions, omits or fails to disclose (verbally or in writing) information to the Gaming Regulatory Commission, or its Licensing Department; or
6. Has any outstanding warrant for arrest from any jurisdiction; or
7. Does not meet LTBB, state, or federal requirements pertaining to Indian gaming licenses, including the IGRA and related regulations;

F. License Application Procedures.

1. General Requirements. Applicants for a gaming license must complete and submit the appropriate application form and all necessary additional documents to the Licensing Department. The application will not be regarded as complete until all the requested information has been received from the applicant.
2. Application Forms; Contents; Amendments.
 - a. Every application or report must be filed on forms furnished by the Licensing Department.
 - b. All information contained in an application must be true and complete as of the date submitted to the Licensing Department.
 - i. Duty to Supplement Application. An applicant shall be responsible for notifying the Licensing Department of any changes in information submitted on their application including any new information that would have been required when the application was submitted. Failure by an applicant to notify the Licensing Department of any changes in information contained on their application or new information that would have been required when the application was submitted may be deemed by the Gaming Regulatory Commission as a failure to disclose.
 - c. Every application for a gaming license, other than a facility license, shall include at a minimum the following information:
 - i. Full name, other names used (oral or written), the addresses of all residences lived at within the last ten years, social security number, birth date, place of birth, citizenship, gender, all languages (spoken or written), and all driver's license numbers, current business and residence telephone numbers;
 - ii. The names and addresses of businesses where the applicant held an employment position within the last ten years, including any independent contracting and/or sub-contracting relationship;
 - iii. The names and addresses of businesses where the applicant held any interest other than employment, including but not limited to ownership interests or management interests within the last ten years;
 - iv. The names and current addresses of at least three (3) personal references and one (1) business reference for the last five (5) years. One (1) personal reference that was acquainted with the applicant must be included for each area of residence for the last five (5) years;

- v. A description of any existing and previous business relationships within the last ten years, with Indian tribes, including but not limited to, ownership interests in those businesses;
 - vi. A description of any existing and previous business relationships within the gaming industry, including but not limited ownership interests in those businesses;
 - vii. The name and address of any licensing or regulatory agency with which the person has filed an application for a license or permit related to gaming, whether or not such license or permit was granted;
 - viii. For each and any felony for which there is an ongoing prosecution or a conviction, the charge, the name and address of the court involved, and the date and disposition of the case, if any;
 - ix. For any misdemeanor conviction or ongoing misdemeanor prosecution (excluding minor traffic violations), the name and address of the court involved and the date and disposition of the case;
 - x. For any criminal charge whether or not there was a conviction (excluding minor traffic charges), which is not otherwise listed pursuant to paragraph (viii) or (ix) of this subsection, the criminal charge, the name and address of the court involved and the date and disposition of the case;
 - xi. The name and address of any licensing or regulatory agency with which the person has filed an application for an occupational license or permit, whether or not such license or permit was granted;
 - xii. A recent photograph;
 - xiii. Any other information the Gaming Regulatory Commission deems relevant; and
 - xiv. Fingerprints taken for licensing purposes.
- d. Every application for a facility license shall include, at minimum, the following information:
- i. The name, address, and primary telephone number of the Gaming Enterprise;
 - ii. An operating plan containing at a minimum the details specified in Section IX. (P)(2)(3)(4) of these Regulations;
 - iii. A list of all casino employees, including the position and annual salary of each individual listed; and
 - iv. The complete current or proposed house rules of the gaming enterprise.
- e. Any document filed under any of the provisions of the Gaming Regulatory Act, or these Regulations, may be incorporated by

reference in a subsequent application if it is available in the files of the Gaming Regulatory Commission, to the extent that the document is currently accurate.

3. Fingerprints. An application for a Primary Management Official or Key-Employee license shall not be complete until the applicant furnishes to the Licensing Department his/her fingerprints in accordance with the fingerprinting process authorized by the Gaming Regulatory Commission.
4. Application and Investigation Fees.
 - a. The payment of fees and costs associated with a license application are invoiced monthly and paid by the Gaming Enterprise.
 - b. The Gaming Regulatory Commission shall approve all License fees.

G. Background Investigations.

1. Within fourteen (14) calendar days after receipt of a complete application and such supplemental information as the Gaming Regulatory Commission may require, the licensing staff shall begin its investigation of the applicant's background to determine if the applicant meets the Gaming Regulatory Commission's minimum license standards. The licensing staff shall investigate the criminal history of each applicant for a license and the personal background, character, reputation and associations of each applicant for a license, and may make such inquiries of and/or about said associations as may be necessary to form a conclusion about the applicant's eligibility/suitability for a license. At a minimum, the following investigations shall be performed before taking preliminary or final action on any application:
 - a. Applicant for any gaming license. The criminal background of an applicant for any gaming license shall be investigated by submitting the applicant's vital information, including but not limited to: full name; any other names used, date and place of birth; citizenship, drivers license numbers; social security number; physical description; and fingerprints to the Federal Bureau of Investigation Criminal Information Center ("FBICIC"), and any other law enforcement agencies that the Gaming Regulatory Commission deems appropriate.
 - i. Rejected Fingerprints. In the event that an applicant's fingerprints are rejected twice by the FBICIC, a Criminal Justice Information Systems ("CJIS") name search will be performed in lieu of a fingerprint search.

- b. Applicant for any gaming license - additional requirements.
 - i. The Licensing Department shall interview at least three previous employers, associates, or other persons familiar with the applicant to determine if the applicant's reputation, character, habits, and activities meet the standards for issuance of a license.
 - ii. The Licensing Department shall also obtain a credit bureau report on the applicant, and shall take such other steps as it may deem reasonable to verify the information provided by the applicant.
 - iii. The Licensing department shall request financial documents as required.
 - c. Applicant for a Primary Management Official's License. In addition to other investigations, the Licensing Department may contact banks, other financial institutions, and other information sources as needed to verify the accuracy of financial information provided by the applicant on an application for a primary management official's license.
- 2. The Licensing Department is not limited to the above investigations and shall make additional investigations and inquiries as required by Law or as needed to determine with reasonable certainty that an applicant either does or does not meet the minimum standards for issuance of a gaming license.
 - 3. The Licensing Department shall attempt to complete its background investigation within forty-five (45) days following receipt of a complete application. If the investigation cannot be completed within forty-five (45) days after receipt of a complete application, the Licensing Department shall notify the applicant in writing why the investigation is not complete and when it expects to complete the investigation.
 - 4. The Licensing Department may contract with private, state, and/or federal investigation agencies to perform the required background and/or criminal history investigations when necessary.

H. Application Reviews; Approvals; Denials; Waivers.

- 1. Review. Within fourteen (14) calendar days following completion of the background investigation the Licensing Department shall review each applicant and all background investigation and criminal history reports to determine if the applicant meets the standards for issuance of the requested license.

2. Licensing Approval.

- a. Preliminary approval; temporary licenses. If in the Licensing Department's judgment the applicant meets the standards for issuance of a license, the Licensing Department may grant preliminary approval of the application and may issue a temporary license to the applicant. The Regulatory Director or designee shall approve licenses prior to final approval by the Gaming Regulatory Commission.
 - i. A temporary license is valid for ninety (90) days from the date of issuance.
 - ii. Conditional License. The Licensing Department may recommend to the Gaming Regulatory Commission that the issuance of a license be conditioned on the satisfaction of certain conditions or requirements.
- a. Gaming Regulatory Commission review. Within forty-five (45) days after an applicant begins working, the Gaming Regulatory Commission shall review and consider the Licensing Department's suitability determination and recommendations prior to making a decision on whether or not to authorize the issuance of a gaming license for that applicant.
- b. National Indian Gaming Commission review. The Licensing Department shall send the results of the background investigation per the NIGC requirements. The Licensing Department shall also include a cover letter indicating the Gaming Regulatory Commission's intent to issue the applicant a license and request that the federal agency review the application pursuant to the requirements of federal law. A copy of this letter may also be sent to the applicant with a notice that the application is not finally approved.
- c. Approval of Final License. Approval of a license shall occur when:
 - i. The Licensing Department receives notice from the NIGC that it has no objection to the issuance of the license; or
 - ii. Thirty (30) days have elapsed since the NIGC was notified of the Gaming Regulatory Commission's intent to issue the license and the NIGC has not responded; or
 - iii. The NIGC timely objected to the issuance of the license, and the Commission has reconsidered the application, taking into account the NIGC's objections and the

- Commission has determined that the applicant may be licensed notwithstanding those objections.
- iv. Final approval is determined by the Gaming Regulatory Commission.
 - v. The Licensing Department shall promptly notify each approved applicant that his/her application for a license was approved.
 - vi. License Limitations and Restrictions. The Gaming Regulatory Commission may limit the term of the license, or place such conditions thereon as it may deem necessary to protect the Tribe or public interest. No license shall be valid unless signed by a majority of the Gaming Regulatory Commission members.

3. Denial.

- a. The Regulatory Director, or his/her designee, shall deny an application for any class of license if the applicant does not meet the standards required for issuance of the requested license under these regulations and/or applicable law.
- b. The Regulatory Director or designee and/or the Gaming Regulatory Commission may deny an application at any time during the application process, including after preliminary approval of the application has been granted, if it is discovered that the applicant does not meet the standards required for issuance of the requested license under these regulations and/or applicable law.
- c. The Licensing Department shall promptly notify an applicant that his/her application was denied and shall specify the reasons for the denial, including a list of criminal conviction(s), date(s), and location(s), if any, that contributed to the Regulatory Director, Licensing Department, and/or Gaming Regulatory Commission's decision to deny the application. If an application was denied as a result of information contained in the applicant's FBI identification record, the applicant shall be advised of the procedures to change, correct, or update the record as set forth in Title 28 CFR, Section 16.34.
- d. The Gaming Regulatory Commission has the discretion to deny any application if, in the Gaming Regulatory Commission's judgment such a denial is in the best interests of the Tribe. When the Gaming Regulatory Commission denies an application pursuant to this provision, the Licensing Department shall notify the applicant that his/her application was denied and shall specify the reasons for the denial.

4. Waivers.

- a. Non-tribal citizens shall not be eligible to receive a waiver.
- b. Tribal citizens denied a key or primary license may request a waiver of the license standards, only to the extent allowed under Section IX. (E)(3) of these Regulations.
- c. Tribal citizens denied non-key license may request a waiver of the license standards, only to the extent allowed under Section IX. (O)(4)(c)(ii.) of these Regulations.
- d. The eligible applicant must show that a waiver is in the best interests of the Tribe or the Gaming Regulatory Commission may not grant the requested waiver.
 - i. Granting a waiver will be considered to be in the best interest of the Tribe if the Gaming Regulatory Commission determines that the Tribal citizen is a person who is not likely again to engage in any offensive or criminal course of conduct and the public good does not require that the applicant be denied a license.

I. **Expirations.**

- 1. The expiration date of each license shall be determined by the licensee's anniversary date.
- 2. A facility license shall expire not later than three (3) years from the date it was issued. The facility license requirements shall continue to be submitted annually.
- 3. The expiration schedules in this Section describe the maximum period for which a license may be granted. The Gaming Regulatory Commission may issue any license for a shorter period if the Gaming Regulatory Commission deems the shorter period is necessary to adequately protect the interests of the Tribe or the public.
- 4. If a license is not renewed prior to expiration, the licensee must reapply for a license, unless;
 - a. There were extenuating circumstances which prevented the licensee from renewing their license prior to its expiration.

J. **Renewals.** Subject to the power of the Gaming Regulatory Commission to deny, revoke, suspend, or limit licenses, any gaming license in force may be renewed for the next year with payment of applicable license and investigation fees in

accordance with established monthly billing procedures.

1. The Licensing Department shall encourage license holders to apply for a license renewal at least sixty (60) days prior to expiration of the current license, but the Licensing Department may not accept a renewal application more than one-hundred-twenty (120) days prior to expiration of the current license.

K. Issuance of License Identification Cards.

1. The Licensing Department shall issue a license identification card to every person granted a license. The identification card shall include the licensee's photograph, name, license number, name of the gaming operation by which they are employed or to which they provide services, expiration date of the license, logo, and such other identifying marks deemed necessary by the Gaming Regulatory Commission to readily identify legitimate cards from counterfeit cards.
 - a. All licenses must be properly displayed with pictures visible.
 - b. The Licensing Department shall issue temporary/final identification cards pursuant to procedures which have been reviewed and approved by the Gaming Regulatory Commission. A final license identification card may not be issued until the applicant's application has been approved by the Licensing Department and the license is signed by a majority of members of the Gaming Regulatory Commission.
2. Every licensee shall at all times while on duty, or on Enterprise property, wear their license identification card issued by the Licensing Department.
 - a. Gaming Regulatory Commission employees are not required to wear their identification card, however, they are required to carry it with them at all times and are required to promptly show their identification card to any Enterprise or Regulatory employee requesting to inspect the card.
3. The licensee shall be required to surrender his/her photo identification card when: the card expires; a new license is issued; the licensee's association with the gaming operation ends, whether or not the termination is voluntary; or the license is suspended or revoked.
4. Any person who has lost his/her photo identification card must report the loss to the licensing staff within 24 hours of the loss or discovery of the loss. Replacement of a lost photo identification card may be made for a fee.

- a. In the event of a lost license a licensee may sign-out a Temporary 1-Day license from Enterprise Security in accordance with Enterprise and Licensing Department policies and procedures.
5. Altering, Defacing or Obstructing License Identification Cards Prohibited.
 - a. License identification cards shall not be altered, defaced or obstructed in any fashion.
 - b. License identification cards which are altered, defaced or obstructed shall be replaced at the expense of the licensee for a fee.

L. Employment of Unlicensed Persons Prohibited.

1. The Enterprise shall not employ any person, or enter into any contract or agreement for services with any person or entity required to possess a license under these Regulations if that person does not possess the proper and valid license.
2. The Enterprise shall immediately discharge any employee and cancel any contract or agreement upon notification by the Licensing Department that the employee's or contractor's license has been revoked by the Gaming Regulatory Commission.
3. A Licensee whose license has been suspended, or whose license has expired, shall not be permitted to appear on Enterprise properties for employment or contractual purposes until the license has been reinstated.

M. Transfer; Accommodated Work Position.

1. Prior to a licensee being transferred to another position, or being transferred to an accommodated work position within the Enterprise, notice of the transfer shall be submitted to the Licensing Department.
2. Upon receipt of a notice of transfer, the Licensing Department shall review the licensee file and determine if the licensee meets the eligibility requirements for the transfer position, or accommodated work position.

N. Background Review for Hiring. Employees of the Gaming Enterprise who make hiring determinations may review the background information, to the extent allowed by applicable law and regulation, compiled by the Gaming Regulatory Commission for potential employees who have been issued a license.

O. Non-Key License.

1. Non-key Licenses Required. All non-key employees must obtain and maintain in good standing, a non-key license issued by the Licensing

Department as set out in this Section.

2. Application Procedure. The application contents and procedures for a non-key license are the same as those described in Section IX. (F)(1)(2) of these Regulations; with the following exceptions:
 - a. Information on a non-key employee need not be sent to the NIGC, or be made available to the State of Michigan.
 - b. The investigation is not required to include fingerprinting.
3. Promotion or Transfer. A non-key employee cannot be promoted or transferred to a key employee position without first obtaining a key employee license.
4. Issuance Standards. The Gaming Regulatory Commission shall not approve a non-key license to any applicant under one or more of the following circumstances:
 - a. An applicant who is under the age of eighteen; exceptions may be made under certain circumstances however, by way of example and not limitation:
 - i. Applicants in an approved school work program, applicants who have graduated from high school prior to reaching the age of eighteen, emancipated minors, etc;
 - ii. Applicants under the age of eighteen are only eligible to receive a non-key license for non-gaming floor areas of the Enterprise;
 - iii. Applicants under the age of eighteen are only eligible to be employed in non-gaming positions.
 - b. An applicant who currently has an outstanding warrant;
 - c. An applicant who has been convicted in the past ten years of any felony involving theft, fraud, violence or misrepresentation. This provision shall not apply if:
 - i. Pardoned by the appropriate Tribal, Federal, or State authority where the offense occurred;
 - ii. To a Tribal Citizen, if eligible for a waiver granted under these Regulations.
 - d. An applicant who is determined by the Gaming Regulatory Commission, based on criminal history checks, to pose a threat to the safety or security of the Enterprise or persons present in the

facilities.

- e. Has knowingly or willfully provided materially false statements, refused to respond to questions, omits or fails to disclose (verbally or in writing) information to the Gaming Regulatory Commission, or its Licensing Department.

P. Facility License Requirements.

1. License Fees. The Tribal Government may require and set a facility licensing fee to cover or help offset the actual expenses incurred by the Gaming Regulatory Commission in carrying out its licensing and compliance functions.
2. Operating Plan.
 - a. Every facility licensee shall at all times maintain on file with the Gaming Regulatory Commission a current operating plan, verified by the affidavit of the operation's General Manager, including, but not limited to: days and hours of operation; the maximum number and type of gaming tables or devices expected to be uncovered or in use at any time during the year; the number of gaming tables or devices expected to be in actual use during the first month of the report year. The approved operating budget shall be submitted to the Gaming Regulatory Commission within one week of its approval by the Gaming Enterprise manager but not later than two weeks prior to the beginning of the operation's new fiscal year.
 - b. Any significant changes (up or down) to the operating plan shall be reported to the Gaming Regulatory Commission in writing no more than two weeks following the end of the month in which the change occurred. Significant changes include, but are not limited to: a change of 15% or more in the number of gaming tables or devices uncovered or in use; a change of 15% or more in the net profit forecast for the balance of the current year; or a change in the Gaming Enterprise's fiscal year or accounting policies.
3. Key Employee Report
 - a. Each facility licensee shall submit an annual key employee report to the Gaming Regulatory Commission on a form to be furnished by the Gaming Regulatory Commission.
 - b. The annual key employee report shall identify all employees of the operation and their annual wage or salary compensation. The report shall also include an organization chart for the operation and a description of each primary management official's and key

employee's duties and responsibilities, and the authority delegated to each individual identified in the report.

- c. The Director of Finance or designee shall forward any changes, additions, or deletions to any information contained within the annual key employee report which occurs subsequent to the filing of the report and prior to the filing of the next year's report shall be reported to the Gaming Regulatory Commission in writing no more than two weeks following the month during which the change, addition, or deletion occurred.
- 4. Financial Reports. A copy of the final annual audit report shall be submitted to the Gaming Regulatory Commission by the Gaming Enterprise within three (3) days of when the annual audit report is received by the Gaming Enterprise. This report is required to be received no later than 120 days from the end of the fiscal year from the person responsible for preparing such report under the Tribe's law, regulations and contracts.
- 5. Environmental, Public Health, and Safety, (EPHS) Certification.
 - a. The Gaming Regulatory Commission shall receive a document listing all laws, resolutions, codes, policies, standards, and procedures identified as applicable to the gaming facility in:
 - i. Emergency Preparedness
 - ii. Food and Potable Water
 - iii. Construction and Maintenance
 - iv. Hazardous Materials
 - v. Sanitation

Any other applicable areas related to environmental or public health and safety standards adopted by the Tribe.
 - b. The Gaming Regulatory Commission is required to receive Annual Certification that the gaming facility complies with and enforces the identified laws, resolutions, codes, policies, standards, and procedures.
- 6. Purpose. The Gaming Regulatory Commission is required to receive the reports and information specified in subsections 1., 2., 3., 4., and 5., solely to ensure that the gaming operation is in compliance with Environmental, Public Health, and Safety standards established by the Tribal Government, free of corruption and to aid in planning staffing and budgeting for Regulatory Departments. The Gaming Regulatory Commission is not responsible for, and shall not interfere with, any business decisions of the Gaming Enterprise.
- 7. Fines; Non-issue of License. Failure by the Gaming Enterprise to submit the final annual audit report in accordance with Section IX (P)(4) may

result in fines being levied against the facility license.

- Q. **Posting of Facility License.** A facility license issued by the Gaming Regulatory Commission must be prominently displayed at all times upon the licensed premises in such position as it may be observed by persons participating in the gaming activities.
- R. **Notice to Patrons.** In each facility of the Tribe where Class III Gaming is conducted the Gaming Enterprise shall post in a prominent position a Notice to Patrons at least two (2) feet by three (3) feet in dimension with the following language:

NOTICE

THIS FACILITY IS REGULATED BY ONE OR MORE OF THE FOLLOWING: THE NATIONAL INDIAN GAMING COMMISSION, BUREAU OF INDIAN AFFAIRS OF THE U. S. DEPARTMENT OF THE INTERIOR AND THE GOVERNMENT OF THE LITTLE TRAVERSE BAY BANDS OF ODAWA INDIANS

THIS FACILITY IS NOT REGULATED BY THE STATE OF MICHIGAN

- X. **Licensing Hearings and Tribal Court Review**
 - A. **Applicability.** These Hearing Procedures apply to Licensees under the jurisdiction of the Gaming Regulatory Commission (hereafter referred to as "Commission") and shall be used in all Licensing Hearings conducted by the Commission.
 - B. **Fair Hearings.** The Commission is comprised of appointed officials with delegated authority under Tribal and Federal law to promulgate regulations for the Little Traverse Bay Bands Gaming Enterprise(s). The Commission shall make every effort to take affirmative steps to provide fair and objective hearings.
 - C. **Roles and Responsibilities.** The Commission shall serve in the capacity of "hearing officers", of which one shall serve as the "Presiding Officer." The Regulatory Director or his /her delegate shall serve in the capacity of "Petitioner," whose responsibility is to provide facts and argument relating to the licensing matter. "Licensee" refers to applicants, employees, vendors and facilities and includes both key and non-key licenses. Together, Petitioner and Licensee are referred to as the "Parties." The Commission reserves the right to designate and assign duties to the Gaming Regulatory Director and/or Gaming Regulatory Administrative Assistant.
 - D. **Service of a Notice to Deny, Suspend, or Revoke a License.** Notices and other hearing documents that deny, suspend or revoke a license shall be served upon the Licensee by personal service or by United States mail. If the notice is served by

mail, it shall be addressed to the Licensee's last known address. It is the Licensees' duty to keep the Commission's designee informed of current address.

- E. **Rights of Licensee.** The Licensee whose license is denied, suspended, or revoked:
1. Has the right to a hearing before the Gaming Regulatory Commission on the Gaming Regulatory Commission's decision or order.
 2. Must file a written notice of appeal request to the Gaming Regulatory Commission for a hearing within 30 days following the effective date of the Gaming Regulatory Commission's decision or order as stated on the order. Failure to properly request a hearing in a timely manner waives the person's right to a hearing or any other appeal of the Gaming Regulatory Commission's decision.
- F. **Timing of Hearing.** After receipt of a written notice of appeal, the Gaming Regulatory Commission shall schedule a hearing not later than 21 calendar days after receipt of the request unless the Commission and person making the appeal mutually agree to an extension. Following the hearing the Gaming Regulatory Commission shall make a decision to uphold, modify, or reverse the order imposing the denial, suspension of revocation.
- G. **Prohibition of Ex Parte Communication.** In an effort to assure a fair hearing process, unless required for the disposition of ex parte matters authorized by law or by the Commission:
1. Commissioners shall not communicate, directly or indirectly with any party or their representative in connection with any issue of fact or law related to a hearing except upon notice and opportunity to all parties to participate;
 2. This Section shall not preclude Gaming Regulatory staff from having contact with a Licensee at any stage of the proceedings.
- H. **Appearance through and Advocate.** Parties to proceedings governed by this regulation may appear personally or through an advocate (i.e. attorney, tribal member, friend, etc). If a party appears through an advocate, the party must attend hearings unless excused by the Commission. Parties retaining an advocate who require fees shall retain the advocate at their own cost.
1. When a party has appeared through an attorney, service of notices of hearings, decisions or any other matters shall thereafter be made upon the attorney.
 2. When a party has appeared through other advocate sources, service of all notices of hearings, decisions or any other matters shall thereafter be made

upon the Licensee at which point s/he assumes the responsibility of sharing information with the advocate.

3. The Commission reserves the right to directly question the Licensee during the hearing.

- I. **Discovery and Privileged Materials.** Prior to the hearing the parties shall exchange all evidence they intend to introduce and exchange written lists of persons each party intends to call as a witness. Each witness shall be identified by name, and a brief description of the reason for which the witness will be called. Failure to Gaming Regulatory Commission Regulations, REG-GRC-1000-02, page 21 disclose evidence and witness lists prior to the hearing may limit a party's opportunity to introduce evidence.
- J. **Confidential and Privileged Materials.** If any document or other material required to be produced is the subject of a privilege or is confidential under applicable law or is subject to a confidentiality agreement, the document shall be marked "confidential" before disclosure or use in a hearing. A Licensee shall not further disseminate confidential or privileged materials except to counsel/advocate of record in the action.
- K. **Request for Information.** Either party may make a written request to the Commission for its assistance in obtaining relevant documents, witnesses and other evidence within the Commission's jurisdiction. Information requests must be specific and contain type of evidence and date of occurrence. Determinations regarding relevancy shall be in the Commission's sole discretion.
- L. **Limitations.** If any party or their attorney/advocate fails reasonably to comply with these regulations, or any order entered regarding any matter, including discovery, the Commission may impose upon such party or attorney, or both, appropriate limitations including an order prohibiting the use of any witness or evidence which should have been disclosed, produced, exhibited, or exchanged.
- M. **Conduct of Hearings.** The hearing before the Commission will proceed as follows:
 1. Opening comments and questions.
 - i. Presiding Officer
 - ii. Petitioner
 - iii. Licensee
 2. Case Presentation
 - i. Petitioner
 - ii. Licensee

3. Rebuttals
 - i. Petitioner
 - ii. Licensee
 4. Commission / Hearing Officers' Questions.
 5. Closing Argument
 - i. Petitioner
 - ii. Licensee
- N. **Evidence.** The Commission shall consider evidence that it finds relevant and material to the dispute, giving the evidence such weight as is appropriate. The Commission may limit testimony to exclude evidence that would be immaterial or unduly repetitive. Upon request before the hearing, the Commission in its discretion may permit the introduction of additional previously undisclosed evidence.
- O. **Failure to Testify.** If a party fails to testify in their own behalf or asserts a claim of privilege in response to any question, the Commission may infer that such testimony or answer would have been adverse to the Licensee's case. The Licensee may rebut such inference with an explanation based on a legitimate legally binding reason, such as a confidentiality agreement.
- P. **Continuances.** Continuances will not be granted except for good cause shown.
- Q. **Default.** Failure of a Licensee to appear personally at the hearing, unless otherwise excused by the Commission shall constitute admission of all matters and facts. A judgment by default shall be rendered against an unexcused Licensee and the Commission may take action against the gaming license without further notices to the Licensee.
- R. **Decision of the Commission.** The Commission's decision shall be in writing and shall be based upon a preponderance of the evidence standard (the offense or other cause for the suspension, revocation, denial or penalty more likely than not occurred). Written notice of the decision shall be sent to the parties.
- S. **Tribal Court Review.**
1. Following a final decision of the Gaming Regulatory Commission after a hearing under this Section, a Licensee has a right to file an appeal with the Tribal Court. The burden of proof in the appeal process is on the applicant or Licensee.
 2. All appeals shall be in writing. A Licensee shall have 20 calendar days from the date of receiving the hearing decision of the Gaming Regulatory

Commission to file an appeal in writing with the Tribal Court.

3. The sole purpose of the Tribal Court appeal will be to determine if the Commission made a procedural error that significantly prejudiced the Licensee. In the event the Tribal Court determines such error was made, it shall remand to the Gaming Regulatory Commission to hold a new hearing in accordance with these Regulations.

CERTIFICATION

As Chairperson, I certify that I approve these Gaming Regulatory Commission Regulations.

Date: _____
Frank Ettawageshik, Tribal Chairperson

Received by the Tribal Council Office on: _____ by: _____

As the Legislative Leader and Tribal Council Secretary, we certify that these Gaming Regulatory Commission Regulations were approved by the Tribal Council of the Little Traverse Bay Bands of Odawa Indians at a regular meeting of the Tribal Council held on, _____ at which a quorum was present, by a vote of ____ in favor, ____ opposed, ____ abstentions, and ____ absent.

Date: _____
Beatrice Law, Legislative Leader

Date: _____
Regina Gasco Bentley, Secretary